

School Funding 2022/23

Schools' Forum Date	17 th September 2021
Type of Decision	For decision
Background Documents	<p>30th August 2019 Prime Minister announcement about £14billion extra funding Link</p> <p>Announcement on 19th July of LA level 2022-23 indicative DSG Link</p> <p>The National Funding Formula (NFF) for Schools and High Needs 2022/23 Link</p> <p>The DfE's indicative school level 2022/23 figures Link</p> <p>Consultation on reforms to the NFF Link</p>
Author	<p>Phil Haslett, Head of Education Strategy and Development</p> <p>Neil Egles, Finance Manager – Schools Strategy and Capital</p>
Purpose of Report	To set out the implications of government indicative announcements on school funding for 2022/23 and to seek agreement from the Forum on the funding formula method to use for Gloucestershire schools and academies
Key Recommendations	<p>Recommendation 1 That a top-slice for growth of £1.3m is agreed for 2022/23 subject to being updated for any change in the basic need AWPU rates for 2022/23 when these are finalised in January 2022.</p> <p>Recommendation 2: The Schools Forum agree the basis on which the formula will be allocated for 2022/23 in line with their previous stated intention to match the National Funding Formula (NFF) method as closely as possible and to utilise any surplus remaining in the schools block to support the 1 in 40 model.</p> <p>Recommendation 3 Forum members are asked to consider and approve de-delegation at the per pupil rates shown.</p> <p>Recommendation 4 Forum members agree or put forward suggested amendments to the consultation questions on reforms to the NFF.</p>
Resource Implications	Funding announcements relate to indicative increases in DSG funding. Exact amounts for Gloucestershire are not due to be announced until December 2021.

1 Introduction

On the 19th September 2019 the Prime Minister announced £14billion extra funding for Education over 3 years. On the 19th July 21 an announcement was made about the third year of that funding including information on: indicative 2022/23 DSG funding and the 2022/23 Schools and High Needs National Funding Formula (NFF).

The DSG figures released are indicative only at this stage. Final DSG figures will be released in December 2021 along with the October 2021 pupil census and other census data that will be used to determine schools' actual budget allocations for 2022/23.

2 Indicative 2022/23 DSG allocations

The indicative 2022/23 DSG allocations (before any changes for the updated census data that will be announced in December 2021) are shown below. The percentage increases are broadly in-line with those from 2020/21 to 2021/22 (excluding the increase in 2021/22 that related to teachers pay and pensions funding moving into the DSG).

2022/23 Indicative DSG block summary	Schools	High Needs	Central School Services	Early Years	Total DSG
21/22 (as at Sept 21)	£411.371m	£74.352m	£2.784m	£35.337m	£523.844m
22/23 Indicative DSG block funding	£423.658m	£80.761m	£2.939m	£35.337m	£542.694m
Change	£12.287m	£6.409m	£0.155m	£0.000m	£18.851m
Percentage change	3.0%	8.6%	5.6%	0.0%	3.6%

The 2022/23 growth funding element of the schools block has not yet been announced so the schools block total above currently includes growth funding assumed at the £2.836m 2021/22 level.

2022/23 indicative Early Years block funding has not yet been announced, so that block is included above at its current 2021/22 level.

The final DSG position will be presented at the 12th January 2022 Schools Forum meeting after being updated for the final DSG and revised pupil data due to be announced in December 2021.

3 Growth Fund

In line with DfE requirements, the growth fund is topsliced from the schools block DSG to provide funding for new classes required as a result of a shortage of basic need places and for start up costs for any new schools opening in the year. On current information and using the 2022/23 NFF Basic Need AWPU rates, the growth fund needed for 2022/23 is £1.3m. This is £0.2m less than was needed in 2021/22.

Recommendation 1: That a top-slice for growth of £1.3m is agreed for 2022/23 subject to being updated for any change in the basic need AWPU rates for 2022/23 when these are finalised in January 2022.

4 The NFF and Gloucestershire Schools Funding Formula

The local authority and School Forum's role in the distribution of school funding remains unchanged for 2022/23.

There is currently no fixed target date by which all schools will receive their allocations via a 'hard' NFF, however the Department for Education (DfE) are consulting on the approach to completing their reforms of the National Funding Formula (NFF) and how they most effectively transition away from local formulae to all schools' funding allocations eventually being determined directly by the NFF.

Details of this consultation are covered in **Annex C** in this paper which includes summary information on the consultation that has been produced by the society of county treasurers (SCT). As a starting point for discussion we have provided draft answers to the consultation questions and ask that the Forum consider these and provide feedback at the meeting.

There will be a follow-up DfE consultation once responses to these questions have been considered.

The DfE have published [indicative school-level 2022/23 figures](#) which illustrate the impact of the notional NFF for each school. However these figures are based on data from the October 2020 census while actual budgets schools will receive will be based on the October 2021 school census and other census data for additional needs, so the final figures will be subject to adjustment after the 2021 census is completed.

The deadline for issuing school budgets for 2022/23 is the 28th of February 2022.

The key National Funding Formula (NFF) changes for 2022/23 are:

3% increases to the factors for basic entitlement; deprivation allocations based on free school meals at any time in the last 6 years (FSM6) and on income deprivation affecting children index (IDACI); lower prior attainment (LPA), English as an additional language (EAL) and the lump sum.

2% increase to the minimum per pupil levels and free school meals (FSM).

Sparsity

£10,000 increase primary and £5,000 increase secondary to the maximum amount a school can receive for the sparsity factor. Primaries are now eligible for up to a maximum of £55,000 and Secondaries up to £80,000.

Schools sparsity distances are now based on road distances, instead of straight-line 'as the crow flies' distances.

A sparsity distance taper has been introduced in addition to the existing year group size taper. Schools marginally below the main distance thresholds (2 miles Primary, 3 miles secondary) will now also attract some sparsity funding, but at a lower amount. This new sparsity distance taper is set at 20% below these main thresholds (1.6 miles primary and 2.4 miles secondary). This means that, for example, primary

schools whose sparsity distance is between 1.6 miles and 2 miles (and have a sufficiently small average year group size below 21.4), will now also be allocated some sparsity funding. This will however reduces via the taper the closer the distance is to 1.6 miles. The same applies to secondary schools but between 2.4 miles and 3 miles (and have a sufficiently small average year group size below 120).

The DfE believe this has improved the fairness of the factor by removing the cliff-edge to eligibility and ensuring that marginal differences in sparsity distances do not result in significant differences to a school's funding.

Based on the illustrative NFF for Gloucestershire for 2022/23 the number of secondary schools receiving sparsity funding has increased by 1, but in the primary sector the number of eligible schools has increased by 164% from 28 in 2021/22 to 78 in 2022/23. This along with the increase in the funding rate for both sectors means that total funding allocated by sparsity will increase from £1.2m in 2021/22 to £3.2m in 2022/23.

	21/22 Schools	21/22	22/23 Schools	22/23	Movement	
	qualifying	Total amount	qualifying	Total amount	schools	Amount
Primary	28	£1,013,579	74	£2,953,937	46	£1,940,358
Secondary	5	£190,566	6	£218,797	1	£28,231
Total	33	£1,204,145	80	£3,172,734	47	£1,968,589

FSM6

Data on pupils who have been eligible for FSM6 is now taken from the October 2021 school census instead of the January 2021 census, to make the factor more up to date and bring it in line with arrangements for other NFF factors as well as the pupil premium.

Mobility

Pupils who joined a school between January and May will attract funding for mobility based on their entry date, rather than by virtue of the May school census being their first census at the current school, as the May census did not take place due to coronavirus (COVID-19).

Rates

The DfE are centralising the business rates payment system for schools, so that the ESFA will pay billing authorities directly on behalf of state funded schools from 2022/23. This will simplify the process and decrease administrative burdens for schools. Further details on this are expected from the DfE shortly.

Minimum Per Pupil Funding (MPPF) Levels

The Minimum per pupil funding (MPPF) increases by 2% to £5,525 per secondary pupil and £4,265 per primary pupil.

These amounts exclude the premises elements of the formula but include the lump sum and any sparsity allocation, so should not be confused with the Basic entitlement age weighted pupil unit rates. They are the minimum amount a school will receive per pupil, if the total produced by their funding formula (excluding premises factors) is lower.

A breakdown by sector and school number on roll (NOR) of the schools requiring MPPF uplifts in 2022/23 is shown in Annex A. There has been an overall reduction of 10 schools requiring MPPF since last year, 7 in Primary and 3 in secondary.

Funding Floor/Minimum Funding Guarantee (MFG).

The funding floor in the NFF remains at 2% to ensure every school is allocated at least 2% more funding per pupil. Local authorities are required to use a minimum funding guarantee (MFG) between +0.5% and +2%. instead of a funding floor when setting the schools formula, however, as the DfE expect local authorities to use the MFG to match the mainstream schools funding floor protection in the NFF, it is our intention to set the 2022/23 MFG at the same 2% level.

A breakdown by sector and school number on roll (NOR) of the schools receiving this through the NFF in 2022/23 is shown in Annex A. There has been an overall reduction of 38 schools on the funding floor since last year, 37 in Primary and 1 in secondary.

NFF 2022/23 formula factor rates published by the DfE

The increases in the government's NFF rates for 2022/23 are shown below:

NFF funding rate increase 21/22 to 22/23

As per DfE published tables. Excludes Area Cost Adjustment (ACA)			
21/22 DfE NFF Rate £	22/23 DfE NFF Rate £	Increase £	Increase %

Pupil led Factors:

Basic Entitlement Primary (Age Weighted Pupil Unit)	3,123	3,217	94	3.01%
Basic Entitlement KS3 (Age Weighted Pupil Unit)	4,404	4,536	132	3.00%
Basic Entitlement KS4 (Age Weighted Pupil Unit)	4,963	5,112	149	3.00%
Deprivation Primary (FSM ever 6)	575	590	15	2.61%
Deprivation Secondary (FSM ever 6)	840	865	25	2.98%
Deprivation Primary (FSM)	460	470	10	2.17%
Deprivation Secondary (FSM)	460	470	10	2.17%
IDACIF Primary	215	220	5	2.33%
IDACIF Secondary	310	320	10	3.23%
IDACIE Primary	260	270	10	3.85%
IDACIE Secondary	415	425	10	2.41%
IDACID Primary	410	420	10	2.44%
IDACID Secondary	580	595	15	2.59%
IDACIC Primary	445	460	15	3.37%
IDACIC Secondary	630	650	20	3.17%
IDACIB Primary	475	490	15	3.16%
IDACIB Secondary	680	700	20	2.94%
IDACIA Primary	620	640	20	3.23%
IDACIA Secondary	865	890	25	2.89%
Prior Attainment Primary	1,095	1,130	35	3.20%
Prior Attainment Secondary	1,660	1,710	50	3.01%
English as Additional Language (3 year EAL) Primary	550	565	15	2.73%
English as Additional Language (3 year EAL) Secondary	1,485	1,530	45	3.03%
Mobility Primary	900	925	25	2.78%
Mobility Secondary	1,290	1,330	40	3.10%

School Leds Factors:

Lump Sum Primary	117,800	121,300	3,500	2.97%
Lump Sum Secondary	117,800	121,300	3,500	2.97%
Sparsity Maximum Primary	45,000	55,000	10,000	22.22%
Sparsity Maximum Secondary	75,000	80,000	5,000	6.67%

Minimum Per Pupil Funding Uplift

Primary	4,180	4,265	85	2.03%
Secondary	5,415	5,525	110	2.03%

An Area Cost Adjustment (ACA) to reflect geographical variation in both the general labour market (GLM) and in teacher pay scales will also be applied to the above 2022/23 amounts. For Gloucestershire the ACA is 1.00629.

Split site factor.

The DfE currently identify this as an element of premises funding and therefore allocates funding for it to LAs based on the previous year's allocations. It is then up to LAs and schools forums to identify their own local formula for allocating to schools. As the Gloucestershire split site formula is based on a lump sum and per pupil amount, we have uplifted this for 2022/23 by 3.01% for the per pupil amount and 2.97% for the lump sum amount in line with the NFF increase in those factors. This will provide an indicative 2022/23 split site factor before ACA of £46,567 plus £62.14 per pupil.

0.5% transfers from the schools block

Local authorities continue to be able to transfer up to 0.5% of their total schools block allocations to other blocks of the Dedicated Schools Grant (DSG), with schools forum approval.

Use of any balance remaining in the schools block

The exact amount of any balance remaining will not be known until final updated census data and the final DSG for 2022/23 is issued in December 2021. However on current estimates using the 2022/23 NFF rates, the revised sparsity data and the 2021/22 census data there would be approximately £0.520m (0.1%) of the schools block remaining after funding for growth and delegated budgets at the 100% NFF level.

Following the Schools Forum decision in each of the last two years to utilise any surplus in the schools block to support the 1 in 40 model, it is proposed that any surplus in the schools block is utilised in the same way in 2022/23.

Recommendation 2

The Schools Forum agree the basis on which the formula will be allocated for 2022/23 in line with their previous stated intention to match the NFF method as closely as possible and to utilise any surplus remaining in the schools block to support the 1 in 40 model.

5 De-delegations for local authority maintained schools

Decision-making on de-delegations rests with maintained school representatives of the forum only and decisions need to be made separately for each phase.

Deductions are made from the formula allocations for maintained schools only. The aggregate total for each de-delegated budget changes each year to reflect both changes in maintained pupil numbers and reductions due to further academy conversions.

5.1 In-year increases in pupil numbers at primary schools

This supports maintained primaries with significant pupil increases above a threshold in their NOR between October census dates. The formula has been reviewed by the Forum a number of times and has been agreed as:

Where the increase in October School Census numbers exceeds the higher of 5% or 10 pupils (the 5% threshold is subject to a ceiling of 15 pupils) then 7/12 of the Basic Entitlement (Age Weighted Pupil Unit) pupil allocation will be triggered for each pupil above this threshold.

5.2 Targeted Intervention-Primary

The de-delegated funding has been used to support the LA in carrying out its duties to local authority maintained primary, junior and infant and special schools under the Schools causing concern guidance for local authorities and Regional Schools Commissioners on how to work with schools to support improvements to educational performance, and on using their intervention powers, September 2020 ([Link](#)) and in accordance with the LA's ongoing responsibility for school improvement as detailed

in the LA's school improvement strategy. The aim is to develop and support a self-improving school system.

Advisers have worked closely with the schools that are judged to require improvement and those that were good at their previous Ofsted inspection but are currently considered vulnerable. There are 11 schools where Ofsted will return for a full Section 5 inspection following one-day Section 8 inspections. The LA uses a rigorous risk assessment process in order to identify all schools that are at risk of decline, including those currently judged 'outstanding' and puts in place a model for bringing about rapid improvement. Outstanding schools that will be subject to inspection from September and that have previously been exempt could be at particularly at risk. Close monitoring ensures that the appropriate level of challenge and support is provided for these schools to ensure that provision improves as quickly as possible. Additional support is commissioned or brokered where necessary, including through the locality partnership, with the two Teaching Hubs and with good and outstanding schools, to ensure that the capacity for further sustained improvement in all schools remains strong.

There is a differentiated, bespoke approach to support and targeted intervention for schools. In some cases, the funding has been used to support new, acting or interim leadership arrangements. In others, it has been used to provide urgent support with training and coaching of staff, or to secure urgent improvements in, for example, safeguarding or governance. The project group approach and the risk assessment is undertaken collaboratively with head teachers and governors.

Research shows that schools at risk of decline or failure are likely to benefit from specialist HR advice. A HR business partner for schools is funded and dedicated to the Education Outcomes and Intervention Team. Where the school would benefit from other specialist support (e.g. Safeguarding, Finance, Health and Safety) this has been coordinated and funded through the project group. In order to ensure that budgets are used effectively, schools are monitored and potential deficit is challenged robustly by the deficit scrutiny group. The targeted intervention deficit budget has been used to support schools in particular difficulty to address financial management concerns.

Ofsted inspectors continue to speak highly of the quality of work undertaken by the local authority in supporting and challenging schools to improve. There are a number of primary schools that have improved significantly as a result of LA intervention and support.

5.3 Union Facilities-Primary

A report summarising the use of facilities time funding is attached at **Annex B**.

5.4 LA statutory duties-Primary and Secondary

The regulations continue to provide for LAs to retain some of their maintained schools' DSG in an arrangement akin to de-delegation to cover statutory duties (primarily budgeting, accounting and internal audit, administration of pensions and a range of other HR duties and landlord responsibilities on buildings) that relate to maintained schools only.

5.5 The de-delegation rates to apply in 2022/23

In summary the relevant phase maintained school representatives on the Forum are asked to consider agreeing deductions, from the budgets of maintained schools only, for the functions listed in the table below.

Items 1 to 3 cover the primary maintained sector only and item 4 covers both the primary and secondary maintained sectors. Those eligible to vote are shown against each de-delegation proposal.

	De-delegation proposal	Eligible to vote	Estimated Budgets based on maintained schools October 2020 census numbers & known academy conversions. <i>(Will be updated for October 2021 census)</i> Primary 34,417 Secondary 4,101	
			Per pupil Rate £	Total £000
1	In-year increases in pupil numbers – primary	Lisa Jones Elaine Le Gros Amanda Horniman Rhian Evans Peter Nolan Matthew Bishop	6.32	218
2	Targeted intervention - primary	Lisa Jones Elaine Le Gros Amanda Horniman Rhian Evans Peter Nolan Matthew Bishop	9.27	319
3	Union facilities - primary	Lisa Jones Elaine Le Gros Amanda Horniman Rhian Evans Peter Nolan Matthew Bishop	3.05	105

4	Local authority statutory duties -primary and secondary	Lisa Jones Elaine Le Gros Amanda Horniman Rhian Evans Peter Nolan Matthew Bishop David Alexander	5.00	193
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Recommendation 3

Forum members are asked to consider and approve de-delegation at the per pupil rates shown for:

- **in-year increases in pupil numbers (primary)**
- **targeted intervention (primary)**
- **union facilities (primary)**
- **local authority statutory duties (primary and secondary)**

6. High Needs Block

The indicative figures for the high needs block for 2022/23 show an increase of £6.409m (8.6%). This extra resource is to help local authorities manage their cost pressures in this area, while the government remains focused on completing the cross-departmental review of the SEND system to ensure that it supports children and young people with SEND as efficiently and effectively as possible.

There is a separate high needs report on the agenda which details the impact of this funding and the latest actions and trends.

7. Central Schools Services Block (CSSB)

The CSSB includes funding for on-going responsibilities of Local Authorities for the statutory duties that they hold for both maintained schools and academies. It includes funding for Admissions, School Forum coordination, copyright licences and centrally retained duties. The allocation is based on a formula using pupil numbers (90%), free school meals (Ever 6, 10%) with an area cost adjustment applied. The indicative rate per pupil for 2022/23 is up by £1.90 to £36.09 which is a small £0.155m increase in the block total compared to the previous year.

8. Early Years Block

The allocation of £35.337m is based on the census which took place in January 2020 although in previous years this would have been updated for the January 2021 census but due to the pandemic different arrangements have been made since attendance numbers would not have been a true reflection of the position at that time. A further census was carried out in May 2021 which will be used to update funding levels and the provisional report identified significant increases in the

numbers of 3 and 4 year olds attending. A statement from the DFE has clarified that the updated figures should be available in November 2021.

9. Next steps/timetable

December 2021 – announcement of Dedicated Schools Grant for 2022/23 updated for data changes arising from the October 2021 school census and other censuses for additional needs.

13th January 2022 – Forum to agree final recommendations on the school funding formula for 2022/23

28^h February 2022 – Individual 2022/23 school budgets issued.

Schools receiving minimum per pupil funding and funding floor uplifts in the DfE's 2022/23 Indicative NFF

Primary		MPPF uplift		Funding Floor	
Total by Size Band:	Schools	Schools	%	Schools	%
Less than 100 pupils	63	0	0%	5	8%
100 to 200 pupils	81	2	2%	18	22%
200 to 300 pupils	59	24	41%	17	29%
300 to 400 pupils	17	8	47%	3	18%
400 to 500 pupils	20	14	70%	5	25%
500 to 600 pupils	4	2	50%	1	25%
600+ pupils	2	2	100%	0	0%
700 to 800 pupils	0	0	0%	0	0%
800 to 900 pupils	0	0	0%	0	0%
900 to 1000 pupils	0	0	0%	0	0%
1000+ pupils	0	0	0%	0	0%
2022/23 NFF Total	246	52	21%	49	20%
2021/22 NFF Total	246	59	24%	86	35%
Movement	0	-7	-3%	-37	-15%

Secondary		MPPF uplift		Funding Floor	
Total by Size Band:	Schools	Schools	%	Schools	%
Less than 100 pupils	0	0	0%	0	0%
100 to 200 pupils	2	0	0%	1	50%
200 to 300 pupils	1	0	0%	0	0%
300 to 400 pupils	0	0	0%	0	0%
400 to 500 pupils	1	0	0%	0	0%
500 to 600 pupils	3	0	0%	1	33%
600+ pupils	3	1	33%	0	0%
700 to 800 pupils	11	6	55%	0	0%
800 to 900 pupils	5	1	20%	1	20%
900 to 1000 pupils	2	1	50%	0	0%
1000+ pupils	13	4	31%	0	0%
2022/23 NFF Total	41	13	32%	3	7%
2021/22 NFF Total	40	16	40%	4	10%
Movement	1	-3	-8%	-1	-3%

Local Authority Teaching Union Facilities 2021 Report for Schools' Forum**Overview**

LA facilities time allows teaching unions to provide Gloucestershire schools access to effective statutory and collective consultation, bargaining and individual representation from trained and accredited local teaching union officials. Consequently, school leaders and managers also have access to a valuable resource in the resolution of workplace issues and disputes. *This allows LA schools to meet all statutory and procedural entitlements to union representation, which include:*

- capability
- grievance
- disciplinaries
- long term absence
- pay and grading appeals
- redundancy and restructuring consultations (all relevant unions)
- equality and discrimination issues
- introduction of new or revised policies and procedures
- health and safety issues

It also allows local officers to respond to the large proportion of queries for informal advice from members, via phone and email, which result in issues being dealt with without having to involve the school or without escalation to any formal procedure. We strongly believe that this de-escalation saves head teachers a substantial amount of time and helps to enhance school cohesiveness.

To enable a certified union representative to be available, facilities time allows for:

- time off for relevant training
- time to prepare for the meeting
- travel time
- “follow up” time

Elected County Union representatives – currently Tony Chong (TC) and Andrew Birkett (AB) (NASUWT), Sarah Murphy and David Hampson (SM, DH) (NEU) are trained in current employment law and related matters, have an excellent working knowledge of procedures and have considerable experience in bringing issues to a speedy conclusion and resolving disputes. They work across the county and hence have an understanding of how disputes and employee issues have been resolved in a mutually acceptable way across the whole of the Gloucestershire building up a substantial amount of local knowledge. This provides a unique insight into the background and historical development of local schools. This expertise is supported by high-level regular training arranged and funded by the respective teacher unions (not by facilities funding). They have access to resources, colleagues and solicitors at regional

and national level who provide information and advice on policy and professional matters and on employment relations issues.

What are the implications of not buying this service?

Without this service LA schools would *individually* be responsible for meeting all statutory obligations (for example: individual right to representation and legal obligation to consult on redundancies and staff changes) *from their own budget*. Schools would be taking on responsibility for agreeing, co-ordinating and paying for release time and paid time off for duties and training of their own school-based reps. This release would be in addition to the normal training required by School Representatives and would need to replicate the training undertaken by County representatives to enable those functions to be fulfilled at school level rather than through the buy-in scheme. This would be necessary if the school is to meet *its statutory obligations in respect of trade union duties for which money is delegated to schools through the funding formula*. The cost of training school reps to this level would, however, be considerably greater than that of the current facilities arrangements. The cost at £3.05 per student means that to the majority of primary schools this service will cost just a few hundreds of pounds.

In addition, these trained school-based reps would have to be released from lessons to provide the support required by their colleagues. *LA facilities funding pays for the availability of county representatives to respond to schools' issues*.

If the service were not de-delegated then TC, AB, DH and SM are concerned over the number of schools that would not 'buy in' to the service because of an admin oversight and hence would create a really burdensome and unnecessary workload for these representatives in chasing the schools for payment.

All other areas of trade union work and representation are paid for by member subscriptions. With minor variations, this is the same for all recognised teacher unions including the Headteacher associations. Some examples of work paid for by subscriptions are:

- Regional staffing team including regional officials who undertake serious and high-level case work (for example NCTL cases, external exam malpractice and employment tribunal cases).
- Legal advice and support including solicitor teams
- Campaigning and policy work – locally, regionally and nationally
- National telephone advice line for all members and reps to access seven days a week
- Website advice and resources
- Workplace reps training programme
- Advance training programmes for county representatives
- CPD programmes and courses for members of the NEU and NASUWT

Gloucestershire officials (TC, AB, SM and DH) receive paid release time from the facilities funding to provide advice, support and representation (a summary to follow). The time is allocated on the basis of the respective membership of each union in the county. We promote

and maintain partnership working, best practice and consistency across the county. We work with schools and academies to facilitate early resolution of difficulties to reduce the risk of disputes or legal claims. TC, AB, SM and DH, in many instances work collaboratively within schools.

How facilities time was spent in 2020-2021 by NEU and NASUWT

Report for Schools' Forum by Sarah Murphy (District and Branch Secretary Gloucestershire NEU)

From September 2020 I have been carrying out casework on behalf of National Education Union Members for 3.5 days per week funded through Union Facilities Time. My colleague David Hampson has been in receipt of two days per week facilities funding.

We currently have 122 Work Place Representatives (Reps) who have also supported their colleagues in schools.

I receive casework via our Advice Line, our Regional Office and direct from members.

During the past year I have supported numerous members including teaching assistants and HLTAs, teachers (including supply), TLR holders, assistant head teachers and head teachers.

Breakdown of cases September 2020 – August 2021:

• Disciplinary 29 • Sickness/ R to W/ absence 18 • Restructuring/ Redundancies 45 • Flexible working and part time issues 14 • Grievance 10 • Whistleblowing 2 • Capability 22 • Contract Issues 27 • Maternity/Paternity Issues 18 • Pay disputes 21 • H & S and injuries at work 7 • Appraisal 5 • Workload 16 • Covid 87 • Equality – racism issues 3 • Pension Queries 7 • Other 66

Total 397

Distribution across Educational Institution:

Primary 45%, Secondary 34%, Independent 10%, APS/Special School 8%, Advisory Teacher Service/Hospital Service 1%, Supply staff 2%.

It is important to recognise that as union representatives and caseworkers we see it as a priority to resolve issues within education settings swiftly and constructively for all those involved. We visit schools to speak to members on a collective and individual basis, members contact us directly by email on a daily basis, we speak over the phone and meet with members out of school. Head teachers and HR representatives call us directly.

Advice is sought via email from us 24 hours a day with the nature of the query or incident being completely unpredictable. Our role will often involve 'coaching' with the result that teachers return to the classroom ready to teach again without the headteacher probably even being aware that their staff member has raised a concern.

Sarah Murphy

District and Branch Secretary Gloucestershire NEU

Report for 2020 to 2021

Mr A Chong: Gloucestershire Federation and Negotiating Secretary and Local Association Secretary for Gloucester Severnside. An Accredited Caseworker, working for **N.A.S.U.W.T.** two days a week funded through Union Facility Time.

The second colleague – Local Secretary Cheltenham Cotswold and an Accredited Caseworker, continued to be assigned taking one day a fortnight, time funded from the Facility has been included due to the ever - increasing amount and complexity of casework in Gloucestershire and they are also funded through Union Facility Time.

Work Place [School and College] Representatives have also contributed to supporting member colleagues and employers.

Nature of work: The face and voice of NASUWT in Gloucestershire, providing a point of contact for members - regardless of their setting - concerning every aspect of their current employment. As well as ensuring that possible future working conditions and pay as qualified professional educators are within the framework of Employment law.

The benefits of the role to members: For members the benefits are many but crucially it is having an easily contactable local point of contact with a person who has an in-depth understanding and knowledge of the Gloucestershire Education landscape. That contact is then in turn able to access the expertise and knowledge of a National professional organisation dedicated solely for Teachers, regardless of their educational setting.

Individual cases:

These are cases that are recorded at and generated from the N.A.S.U.W.T. Regional Centre in Exeter for Gloucestershire.

During the period 1st April 2020 to 31st March 2021, there were some eighty individual member cases from across educational settings [an increase of 33.3% from the last reporting period] who received direct support.

The following list indicates the type of educational institutions members worked.

Secondary	26	Independent Schools	7	Supply	2
Primary	29	Special Schools	2		
Infant	6	Further Education	3	Alternative Provision	2

This Casework ranged from – redundancies arising from internal re-organisations prompted by financial pressures, parental / student / colleague complaints, staff grievances, Directed Time Calendar – not being made available or indeed completed, Maternity Leave, Performance Management, and latterly specifically the implementation of increased employer contributions to the T.P.S. [Teachers' Pension Scheme] through to implementation of NASUWT's Action Short of Strike Action.

Additionally, there were some two hundred and forty 'one off' member contacts made, an increase of 75% from last year.

Collective Cases: Ten

Two cases concerned – Schools forming a Trust.

Three cases concerned – New School policies [Performance Management / Appraisal]

Four cases concerned – possible withdrawal from T.P.S. One of which led to Industrial Action the first in the Independent sector.

One case – regarding Management approach and practice that led to the first Industrial Action taken in Gloucestershire this century.

General Policy requests: Fourteen

These have included areas such as: Pay Progression, Performance Management, Redundancy, Attendance and Competency.

Corona Virus [CoVid19]

This reporting period 1st April 2020 through to 31st March 2021, has seen education generally experience actions and events that hopefully will never be experienced again. The actual cost to pupils, students, school staff, families and the schools that serve communities will never be known. The impact on all those involved within Education will be felt unfortunately, for many years to come.

Mr. A. Chong

7th July 2021

Consultation on National Funding Formula (NFF) proposed changes ([Link](#))

The National Funding Formula (NFF) is currently being used to calculate notional individual schools allocations before being aggregated to local authorities. Local authorities then distribute the funding to their schools using a flexed, 'soft' version of the NFF. This flexed version can use certain different factors and weightings which vary from those in the NFF. The DfE's ultimate aim is for schools to receive their allocations directly via the NFF and this consultation proposes how that transition to a hard NFF can take place. The closing date for responses is 30th September 2021.

From 2023-24 the local formulae must begin to align more to the national formula in local authorities where their formula significantly differs from the NFF. This involves not only aligning the use of measures but also beginning to bring the weightings for these measures nearer to the NFF figures.

There are also questions on the funding year (moving from financial year April to March to an academic year for maintained schools), the schools forum, central services and SEND.

The NFF is already used to determine funding between local authority areas across the country, but the final ambition is to use the formula to allocate funding to individual schools. The aim being for funding to be the same where need is the same and for the system of schools funding to be more transparent. The consultation also highlights the Government's ambition for all schools to be under "*strong multi-academy trusts*".

There is no fixed target date by which all schools will receive their allocations via the 'hard' NFF (i.e., not via the local formulae), and protections (such as the minimum funding guarantee) will remain in place as part of this transition to the new formula. This will help to minimise disruption for schools and ensure that no school sees a reduction in its per-pupil funding. The Pupil Premium and Covid recovery funding will continue to be separate streams of funding and are not affected by this consultation.

Current Allocations

Currently, the NFF is used to calculate allocations for each school which are then aggregated and passed to the local authority (LA) for distribution. The LA uses a flexible version of the NFF (the 'soft' NFF) to distribute the funding to its schools. The DfE has set some parameters for local formulae, but it is still possible for a school to currently receive funding that is different to that which it would receive under the 'hard' NFF.

The consultation states that, out of 150 education-providing LAs: 105 have moved *towards* their allocations, of these 75 used the 'hard' NFF-determined allocations in

2021-22. The implication is that the remaining 45 LAs have been moving away from the NFF when making their allocations to schools.

Part of the local flexibility includes using different weightings for the formula factors – and there remain large variances in these figures. The consultation paper highlights those pupils with English as an additional language (EAL) attract £200 in East Riding of Yorkshire and £3,200 in Westminster. The NFF figure is £1,485. There are other similar examples where local funding varies greatly from the NFF. The different local formulae, if applied across the country, would mean that schools in the same circumstances as each other could receive very different funding – which is neither consistent nor fair.

Recommendation 4 Forum members agree or put forward suggested amendments to the consultation questions below on reforms to the NFF.

Consultation Proposals

The DfE proposes that, subject to the further development of premises and growth funding factors, all NFF funding factors/measures be included – pupil-led and school-led – without further local adjustment through local formulae.

Question 1: Do you agree that our aim should be that the directly applied NFF should include all pupil-led and school-led funding factors and that all funding distributed by the NFF should be allocated to schools on the basis of the hard formula, without further local adjustment through local formulae?

We agree that the aim should be to fund all schools on the same formula basis through a hard formula without the need for further local adjustment. However that does not mean that we agree the current NFF funding model is correct or fair to all schools and we recommend that Government seriously consider further review of the formula, with an emphasis on ensuring the additional needs factors in the formula are delivered outside of the minimum per pupil funding (MPPF) level calculation. This will ensure that these additional needs factors actually make a difference to the funding for schools that are in most need and not absorbed and lost within the MPPF level calculation.

This is a view put forward by the F40 group who have developed a proposal on how to tackle this issue. The proposal can be found here - <https://www.f40.org.uk/f40-proposal-april-2019/>

The DfE will review and consult again on the part of the NFF that distributes funding for premises (including PFI, split site and rental premises) – which is currently based

on historic spending. The DfE welcome any early input as to how these measures can be added to the 'hard' NFF.

PFI costs are currently funded by the DfE based on costs in the previous year and allocated through a local formula. The DfE are examining the option of a more bottom-up funding model, whereby additional costs incurred by PFI schools are examined and then used as a basis for their calculation of a PFI factor allocation in the NFF – rather than using updated historic spend. No change is anticipated to PFI funding until at least 2024-25.

For schools with split sites, the DfE make funding allocations based on the previous year's spending, but it is up to LAs and School Forums to determine how that is distributed – i.e., as a fixed lump sum or a per-pupil amount. The DfE are exploring an approach where split site details are collected with the possibility of it being included in the NFF. This will also be consulted on separately.

Question 2: Do you have any comments on how we could reform premises funding during the transition to the directly applied NFF?

An NFF formula for funding split sites should be developed to ensure a consistent approach nationally. The DfE should gather information on additional cost requirements resulting from having a split site from the relevant schools to consider as part of developing that formula factor. This should be done on the basis of the number of sites and not the number of pupils. A pupil level funding calculation won't accurately reflect the additional costs incurred. The costs associated to 100 pupils on a second site, compared to 100 pupils on two additional sites would vary significantly.

Exceptional rents costs typically relate to schools that have to hire premises to use for PE or assemblies as the existing school does not have those facilities. As those costs will typically vary widely, one consideration could be for the ESFA to pay those costs directly like they will be doing in 2022/23 for rates bills. Alternatively a formula that allocates an amount per pupil for each facility not present in the school could be considered. This could cease if the school moved to new premises or was extended to provide the missing facilities.

The existing rule of only being able to allocate exceptional rents costs if there are less than 5% of the schools in the LA needing the funding should be removed, as this could result in all schools in a LA who are currently receiving this funding suddenly receiving nothing if one more school qualified and put the total over the 5% threshold.

Consultation Proposals: Growth Funding and Falling Rolls

Funding allocations are currently based on the number of pupils in the census from the autumn before – this means that there is a time lag for both a falling and rising

roll. The DfE do not feel that moving to a system based on actual numbers would provide better stability and predictability.

Growth funding for new schools is currently inconsistent across the country. The DfE see the NFF as a way to achieve consistency and will consult further on this in the second consultation.

At present all academy trusts provide the ESFA with a forecast of pupil numbers for the coming year which is then used to calculate any growth funding outside the NFF.

When the hard NFF is implemented, the Government proposes

- Collecting forecast pupil numbers from local authorities and academy trusts (this is already recorded by LAs)
- Using national, standardised criteria to determine which schools are eligible for growth funding. The main one would involve the size of the forecast growth – growth which is deemed “insignificant” is expected to be managed within the school’s budget for that year.
- Standardising the amount that eligible schools receive so that broadly the same proportion is spent on future growth as at present.

As is the case now, growth that doesn’t materialise will be subject to an adjustment process, with payments being adjusted or recouped as necessary following the subsequent census. The consultation says *“We would not expect to make adjustments in cases where pupil numbers fell slightly short of forecasts. We ... recognises the inherent uncertainty in forecasts, and that schools may face similar levels of additional cost where an extra class was required but fewer pupils than forecast actually materialised...”*.

There would also be a second opportunity to submit growth numbers after the NFF has been calculated, for schools where the growth was uncertain.

Aside from general growth in numbers, schools can also grow as a result of becoming more popular with parents. Unlike the standard growth funding the DfE do not think that it would be plausible to offer funding for popular schools based on forecasts of popularity. Instead, they propose:

- Making funding available for schools which have seen an increase in popularity, after being recently sponsored by a multi-academy trust which has improved the school’s performance. This funding would, therefore, remain targeted at academies, rather than all schools – to reflect the *“unique role that academy trusts have in turning around previously under-performing schools”*.

- Using the in-year autumn census to check which academies that meet the criteria above have experienced significant in-year growth.
- Making the *amount* of funding consistent with basic need growth funding allocations.

'Falling rolls' funding also provides schools with additional revenue funding in situations where there is evidence that the fall is short-term (up to 3 years) so that capacity required in the near future is not put at risk. This funding is only available to schools judged as "good" or "outstanding" at their last OFSTED inspection.

Falling roll funding will only be provided where schools have already experienced at least one year's decrease to their number on roll, in addition to the forecast decrease in the coming year.

Question 3: Do you agree with our proposal to use national, standardised criteria to allocate all aspects of growth and falling rolls funding?

Yes, standardising criteria across the country would be in line with the approach used for other elements of the NFF and ensure schools in similar circumstances received similar funding.

Question 4: Do you have any comments on our proposed approach to growth and falling rolls funding?

We disagree that funding should only be targeted at academies in cases where schools which have seen an increase in popularity, after being recently sponsored by a multi-academy trust which has improved the school's performance. The DfE have always stated that all schools should be treated similarly and fairly. On that basis if there was an increase in popularity following improved performance in a maintained school they should also be entitled to the same funding.

Currently if maintained schools want to have an opportunity to receive in-year additional funding for a significant increase between October census pupil numbers, they have to de-delegate towards a fund for this from their delegated budget. Therefore if they were not given access to the funding mentioned above it would create an unfair system whereby academies could access additional funding through the NFF without making a contribution for significant pupil increases, while maintained schools would have to contribute through de-delegation to be able to access funds for significant pupil increases.

There is no clear rationale here for treating maintained schools and academies differently.

Consultation Proposals: Transitioning to the directly applied NFF for schools

The current 'soft' application of the NFF by LAs allows them to include a 'looked after children' measure that is not in the NFF and alter the weightings on the other

measures including the lump sum and basic per pupil amount. As highlighted above, some LAs use a local formula that moves schools further away from their NFF allocation. The DfE propose to gradually move LA formulae closer to the NFF, in advance of moving to a fully 'hard' NFF. This will help to smooth the transition to the NFF.

The DfE want to do this gradually to measure the impacts as they move towards the full implementation of the NFF. This means no new restrictions on LA formulae in 2022-23, but from 2023-24 all LAs will be obliged to use each of the NFF factors in its local formulae, and only those factors (which would mean that LAs would no longer be able to use the 'looked after children' factor in their formulae as it doesn't feature in the NFF).

There would be an exception to this requirement – any NFF factors that are significantly reformed in 2023-24 (e.g., premises factors) will not be compulsory for inclusion in the first year of introduction.

As well as ensuring the local formulae use the same factors as the NFF, the DfE also want to bring the cash values (weightings) assigned to them closer to the ones in the 'hard' NFF. Because the local formulae use cash values that vary in distance from the NFF weightings the DfE will require a minimum percentage movement rather than a cash figure. This will begin in 2023-24 and be based on a comparison of the local formula and the NFF in 2022-23.

- In 2023-24 each LA must move its local formula **factors at least 10% nearer** to the NFF factor value, when compared to 2022-23.
- LAs will not be allowed to “overshoot” the NFF value – for example, if the weighting of the factor is currently below the NFF value, it cannot be increased to be above it.
- According to DfE modelling this will only cause a very small increase in the number of schools on the MFG floor – a 0.04% increase
- This movement will increase **to 15% closer in 2024-25 and 20% closer in 2025-26** but DfE say that they will monitor the impact of the 10% movement before confirming these plans.

The consultation paper says that the DfE have considered a quicker pace of change – 25% in 2023-24 but, although it would give them a better idea of the effect of moving towards the NFF, it could cause too much turbulence.

Page 31 of the consultation provides some examples of the movement in formula factors. The DfE plan to send each LA a table specifying the range within which their formula factors must fall between for 2023-24, as well as subsequent years.

Example:

- Assuming a factor has a value of £600 in the NFF in 2022-23, and an LA has set a local factor value of £500 (a £100 difference)
- The LA would be required to set a value for 2023-24 that was within £90 of the NFF value (10% of the £100 difference) – i.e., at least £510.
- However, the NFF is being continually reviewing, so if the NFF value increased to £620, then that LA would still be required to set a factor value of no more than £90 below the NFF value – i.e., at least £530.

The DfE will not require LAs to move factor values nearer to the NFF if they are already very close (referred to as “mirroring”). This is currently judged to be when factors are within 1% of each other but the DfE are asking for views on this.

Question 5: Do you agree that, in 2023-24, each LA should be required to use each of the NFF factors (with the exception of any significantly reformed factors) in its local formulae?

Yes agree, all schools should be funded on the same formula and this should include no differences in the factors applied.

Question 6: Do you agree that all LA formulae, except those that already ‘mirroring’ the NFF, should be required to move closer to the NFF from 2023-24, in order to smooth the transition to the hard NFF for schools?

Yes agree, this will be necessary to ensure the same formula for all is eventually used. However it is vital that as part of the process the formula is as accurate and as fair as possible and the DfE should therefore, as previously stated, seriously consider the views on formula changes being put forward by the F40 group.

Question 7: Do you agree that LA formulae factor values should move 10% closer to the NFF, compared with their distance from the NFF in 2022-23? If you do not agree, can you please explain why?

Yes, although in Gloucestershire the Schools Forum and LA have worked hard to ensure that our local formula reflects the NFF as closely as possible, as such we would want to see larger increases in later years so that all LAs and schools move towards the NFF as swiftly as possible.

Question 8: As we would not require LAs to move closer to the NFF if their local formulae were already very close to the NFF, do you have any comments on the appropriate threshold level?

Ultimately, we would want to see as small an impact as possible for schools when moving to the Hard NFF. As such the 1% threshold feels like the maximum level we would expect for all schools to be mirroring the NFF in timely fashion over the coming years.

As the formula moves towards the NFF there will be some schools who find themselves receiving the MFG protection and others who gain. This could lead to pressure on LA budgets – but LAs have some flexibility in setting the MFG and capping or scaling schools’ year-on-year gains in order to address affordability in their local formula.

During the second consultation (to follow) the DfE will examine whether LAs should be given greater flexibilities from 2023-24 over the level of the MFG in order to manage affordability, or whether this is not needed given their ability to cap and scale gains. The DfE want no school to see a cash loss in per-pupil funding as a result of the move towards the hard NFF.

The DfE also want all local formulae to use the “EAL3” measure – where pupils attract additional funding if they entered the education system in the last 3 years and English is not their first language. Currently LAs have some flexibility over the number of years.

LAs are also allowed flexibility over the application of the sparsity measures – to target remote and small schools. This flexibility will be allowed to continue in 2023-24 as there has been a new methodology introduced for calculating sparsity distances in 2022-23.

Question 9: Do you agree that the additional flexibility for LAs in the EAL factor, relating to how many years a pupil has been in the school system, should be removed from 2023-24?

Yes agree, this will be consistent with having the same NFF factors and rates for all. However, we would reiterate the same point about the additional needs factors sitting outside of the MPPF level, so that schools see the real benefits of the additional factors

Question 10: Do you agree that the additional flexibilities relating to the sparsity factor should remain in place for 2023-24?

No, all schools should be moved onto the same NFF sparsity factor to ensure a consistent approach nationally.

Consultation Proposals: Impact on Central Schools Service

Moving towards the NFF means that LAs will have less flexibility with what to do with their remaining DSG. The DfE are considering how central services are delivered and funded as well as addressing the current variation. The DfE want to see the move to a school-based system with schools having maximum control over their funding.

Central service delivery, either by LAs, or by academy trusts, varies considerably across the country and the consultation paper groups them into the following headings:

- **LA's ongoing responsibilities for all (maintained and academy) schools** – for example, admissions and school attendance monitoring. Funded via the Central Schools Services Block (CSSB) of the DSG.
- **“De-delegated” functions that the LA does for maintained schools and Multi-Academy Trusts (MATs) do for academies.** Generally funded through a top-slice from school budgets. Includes functions such as outdoor education. School Improvement functions are delivered by the LA but are provided for separately.
- **Optional traded services for all schools** – optional services, paid for from individual school's budgets.

The DfE suggest that there could be a list of services which should sit best under each heading, creating a clear list of central services and shifting more towards the de-delegated and traded services end of provision. This will be discussed more technically in a further consultation. Options include:

- Continuing to fund statutory duties, such as some admissions duties and perhaps adding some non-statutory ones where it makes sense for the LA to have oversight.
- Continuing the existing scheme where DfE centrally purchase copyright licences for all state-funded schools but possibly adding the funding to the schools' block
- If there is a reduction in the CSSB of DSG (with more services de-delegated or traded), considering moving the funding back to the MHCLG local government finance settlement.

Question 11: are there any comments you wish to make on the proposals we have made regarding ongoing central school services, including on whether in the future central school services funding could move to the Local Government Finance Settlement (LGFS)?

Yes agree, it is important that funding continues for statutory services such as admissions and that the LA is able to retain oversight of them. The source of funding for central services between DSG and mainstream funding does complicate the accounting and management arrangements and it would be advisable to move the remaining funding to LGFS. What would need to be recognised in the LGFS is that future increases in the school population would put pressure on these services and would require additional funding to be allocated through the LGFS. The scheme to fund copyright licences has been beneficial and if there is no central school services

Block (CSSB) going forward this should be moved to the schools block and funded accordingly for changes in costs.

The CSSB also includes a historic commitments element, relating to expenditure by LAs on commitments entered into before 2013, on activities which are not appropriate to be funded from DSG. It was anticipated in 2013 that this spend would gradually reduce over time, but some commitments are taking longer to unwind than expected. Therefore from 2020-21 the DfE have reduced this funding by 20% a year and propose removing it completely once the hard NFF comes into effect. Funding for unavoidable legacy payments (e.g., those for termination of employment costs and prudential borrowing) that some LAs will still be tied into, will be replaced with a separate legacy grant.

Question 12: Do you agree with the proposal for a legacy grant to replace funding for unavoidable termination of employment and prudential borrowing costs? We will also invite further evidence on this at a later stage.

The historic commitments should be removed by the time the NFF comes into effect. Any remaining unavoidable commitments should be reviewed annually to confirm the requirement for a legacy grant to be awarded. Plans and options to reduce them should also be submitted.

Consultation Proposals: Supporting SEND Provision

The consultation paper says that the DfE see this move to the hard NFF as an opportunity to make the funding to support SEND provision in mainstream schools “*fairer, more consistent, simpler, more transparent and more efficient and predictable*”.

The Government’s SEND Review has been delayed again but once it is published it will include recommendations which will have implications for how support for pupils with SEND is delivered and funded in mainstream schools. The second consultation will consider these recommendations.

In 2018 the DfE found and consulted on, a set of proxy indicators to reflect the likely prevalence of additional needs, including SEND, within a mainstream school – namely low prior attainment and deprivation. The DfE do not wish to use the actual number of pupils with Education, Health and Care Plans (EHCP) or SEN as they do not consider them to be consistent – a child who may be eligible for an EHCP in one area may not be in another. They also consider it to be a perverse incentive for schools to identify more children as needing support.

The consultation goes on to recognise there are pressure on High Needs block funding, where demand for EHCPs has increased. Some of this pressure has been addressed by LAs through transfers between the schools block and high needs block, but the DfE want this practice to end as it is not a sustainable solution and also erodes the benefit for schools of moving to a ‘hard’ NFF.

The paper goes on to say that: “*The department is currently working to address these pressures on high needs budgets and support LAs to manage their high needs budgets more sustainably*”.

Last year the DfE launched an intervention programme working with some LAs with the highest DSG deficits, supporting them to reform their high needs systems and associated spending to make it more sustainable. The DfE plan to shortly publish a commentary on that programme to date, with recommendations that LAs could consider in tackling their own DSG deficits, including specific case studies from LAs who have developed approaches to support the sustainability of their high needs systems. The consultation paper adds that “*alongside this, a central aim of the SEND Review is to make recommendations that will tackle the underlying causes of costs pressures in the high needs system and lead to a more financially sustainable system in the longer-term*”.

The second NFF consultation will consider whether there remains a need to keep a mechanism in place of the current block transfers where LAs continue to face unavoidable cost pressures on their High Needs budgets.

Consultation Proposals: Schools Forums

Implementation of the NFF will lead to a change in the role of the Schools Forum. The forum currently decides on things such as whether to approve transfers between blocks and the amount of funding top-sliced for de-delegated central services. Despite the changing role they will continue to play an important part in local decision making and stakeholder engagement – specifically with regard to early years, high needs and central services – see Annex B of the consultation for a comprehensive list of ‘before and after’ functions.

The DfE plan to review the role and membership of the Schools Forum once the SEND review has been published and progress is made towards the implementation of the NFF.

Consultation Proposals: The Funding Year

Currently maintained schools are funded by financial year April to March whilst Academies are funded by academic year September to August. Academies chose this pattern as it fitted with their business activities, but it means that for 5 months of the year the two will potentially be receiving different funding for schools with the same characteristics. This situation does not align with the intention of moving to a hard NFF - that schools with the same characteristics should receive the same amount of funding.

The consultation paper states that most schools plan their staffing and spending on an academic year basis, adding that changes to teacher’s pay, which makes up a significant element of a school’s budget, also takes effect from the start of the

academic year. Therefore, the DfE are interested to know whether there is a case for moving maintained schools' funding to an academic year basis.

They are aware that this may cause accounting complications with the financial reporting cycle being mismatched with the funding cycle but are interested to hear the pros and cons of such a move.

Question 13: How strongly do you feel that we should further investigate the possibility of moving maintained schools to being funded on an academic year basis?

Whilst we recognise the benefits of aligning the funding years for academies and maintained schools, it remains challenging whilst local authorities are required to report by financial year; as such it makes sense for maintained schools to remain funded by financial year.

To understand the issues in full the DfE should discuss with the Chartered Institute of Public Finance and Accountancy (CIPFA) the implications a proposed change like this would have and whether or not it would be feasible or sensible.

Question 14: Are there any advantages or drawbacks to moving maintained schools to being funded on an academic year basis that you feel we should be aware of?

Having to separate budgets and spend between financial years would be a key drawback, which is linked to the need for LA's to report on a April to March financial year. This would mean that Maintained schools with their own local bank accounts would have to complete an extra closedown at the end of the academic year as well as the usual financial year end.

We are not aware of significant issues caused to maintained schools from operating a financial year budget particularly while there is still a requirement for a financial year outturn to be completed by those schools. As above we recommend the DfE consult with the Chartered Institute of Public Finance and Accountancy (CIPFA) about the accounting issues for schools and LAs if a change took place.